

सुक्ष्म सिंचनासाठी पूरक अनुदान
देण्यासाठी Dedicated Micro Irrigation
Fund (DMIF) अंतर्गत कर्ज घेण्यास व
त्यासाठी त्रिपक्षीय करार करण्यास
मान्यता देण्याबाबत...

महाराष्ट्र शासन

कृषी, पशुसंवर्धन, दुग्धव्यवसाय विकास व मत्स्यव्यवसाय विभाग
शासन निर्णय क्रमांक : सुसिंयो-०१२०/प्र.क्र.०१/१४अ

मादाम कामा मार्ग, हुतात्मा राजगुरु चौक,

मंत्रालय विस्तार, मुंबई- ४०० ०३२

तारीख : २५ ऑगस्ट, २०२१

वाचा:

१. कृषि व पदुम विभागाचा शा. नि. क्र. कोशाशे-४२१८/प्र.क्र.८६/८-अ, दि. १९ ऑगस्ट, २०१९
२. मुख्य सचिव कार्यालयाकडून प्राप्त झालेले दि. ४ जुलै, २०२१ रोजीचे मंत्रीमंडळ बैठकीचे कार्यवृत्त.

प्रस्तावना :

सूक्ष्म सिंचन पद्धतीने सिंचनासाठी शेतकऱ्यांना प्रोत्साहन देण्यासाठी केंद्र पुरस्कृत सूक्ष्म सिंचन योजना राबविण्यात येत आहे. सन २०१५-१६ पासून सदर योजना “प्रधानमंत्री कृषि सिंचन योजनेच्या प्रति थेंब - अधिक पिक” घटकांतर्गत राबविण्यात येत आहे. या योजनेंतर्गत शेतकऱ्यांना सूक्ष्म सिंचन संच बसविण्यासाठी, अल्प व अत्यल्प भूधारक शेतकऱ्यांना एकूण खर्चाच्या ५५% व इतर शेतकऱ्यांना ४५% अनुदान कमाल ५ हेक्टर क्षेत्र मर्यादेपर्यंत देण्यात येते.

राज्यातील अवर्षण प्रवण क्षेत्र, शेतकऱ्यांच्या आत्महत्येने ग्रस्त जिल्हे व नक्षलग्रस्त जिल्हातील शेतकऱ्यांसाठी मुख्यमंत्री शाश्वत कृषि सिंचन योजना राबविण्यास संदर्भाधिन शासन निर्णय दि. १९ ऑगस्ट, २०१९ अन्वये मान्यता दिलेली आहे. या योजनेंतर्गत प्रधानमंत्री कृषि सिंचन योजनेंतर्गत अल्प व अत्यल्प भू-धारक शेतकऱ्यांना देय ५५% अनुदानास २५% पूरक अनुदान देऊन एकूण ८०% अनुदान आणि इतर शेतकऱ्यांना देय ४५% अनुदानास ३०% पूरक अनुदान देऊन एकूण ७५% अनुदान अनुज्ञेय आहे. सदर पूरक अनुदानासाठी निधी उभारण्यासाठी Dedicated Micro Irrigation Fund (DMIF) अंतर्गत कर्ज घेण्याचा व त्यासाठी त्रिपक्षीय करार करण्याचा प्रस्ताव शासनाच्या विचाराधीन होता, याबाबत दि.०४ जुलै, २०२१ रोजी पार पडलेल्या मंत्रिमंडळ बैठकीत सूक्ष्म सिंचनासाठी पूरक अनुदान देण्यासाठी Dedicated Micro Irrigation Fund (DMIF) अंतर्गत कर्ज घेऊन निधी उभारण्यास मान्यता दिली आहे, त्याबाबत शासनाने पुढीलप्रमाणे निर्णय घेतले आहेत.

शासन निर्णय:

१. मुख्यमंत्री शाश्वत कृषी सिंचन योजनेंतर्गत सन २०१९-२० व सन २०२०-२१ या वर्षातील सूक्ष्म सिंचन संचासाठी पूरक अनुदानाची रक्कम अदा करण्यासाठी नाबार्ड कडून रु. ५३३.१५ कोटी रकमेच्या मर्यादेपर्यंत DMIF अंतर्गत कर्ज घेण्यास मंजूरी देण्यात येत आहे.
२. सदर कर्ज घेण्यासाठी या शासन निर्णयासोबतच्या परिशिष्ट - “अ” नुसार, नाबार्ड व केंद्र शासनाच्या कृषी सहकार व शेतकरी कल्याण विभागासोबत त्रिपक्षीय करार करण्यास मान्यता देण्यात येत आहे.
३. सदर कर्ज घेण्यासाठी राज्य शासनाचा वित्त विभाग हा समन्वयक (Nodal) विभाग राहील.
४. कर्ज घेण्यासाठी नाबार्ड व केंद्र शासनाचा कृषी, सहकार व शेतकरी कल्याण विभागासोबत आवश्यक असलेला त्रिपक्षीय करार वित्त विभागाने करावा.
५. कृषी विभागाकडून कर्ज घेण्यासाठीचा आवश्यक प्रस्ताव सविस्तर प्रकल्प अहवालासह वित्त विभागास सादर करण्यात यावा व सदर प्रस्ताव वित्त विभागाकडून केंद्र शासनाच्या कृषी, सहकार व शेतकरी कल्याण विभागाकडे मंजूरीस्तव सादर करावा.
६. सदर कर्जाद्वारे उपलब्ध होणारा निधी मुख्यमंत्री शाश्वत कृषी सिंचन योजनेंतर्गत सूक्ष्म सिंचनासाठी देय पुरक अनुदानासाठी विनियोगात आणावा.
७. प्रकल्पाच्या अंमलबजावणीसाठी आवश्यक असलेला निधी मुख्यमंत्री शाश्वत कृषी सिंचन योजनेच्या लेखाशिर्षाखालील तरतूदीतून उपलब्ध करून द्यावा.
८. सदर कर्जापोटी द्यावयाच्या मुदलाच्या व व्याजाच्या रकमेची आवश्यक तरतूद प्रत्येक वर्षी वित्त विभागाकडून करण्यात यावी.

सदर शासन निर्णय वित्त विभागाने त्यांचा अनौ. सं. क्र.२४४/२०२१/व्यय-१, दि. ०९ ऑगस्ट, २०२१ अन्वये दिलेल्या मान्यतेस अनुसरून निर्गमित करण्यात येत आहे.

सदर शासन निर्णय महाराष्ट्र शासनाच्या www.maharashtra.gov.in या संकेतस्थळावर उपलब्ध करण्यात आला असून त्याचा संकेतांक २०२१०८२५१४१५१३७२०१ असा आहे. हा आदेश डिजीटल स्वाक्षरीने साक्षांकित करून काढण्यात येत आहे.

महाराष्ट्राचे राज्यपाल यांच्या आदेशानुसार व नावाने,

(श्रीकांत आंडगे)
अवर सचिव, महाराष्ट्र शासन

प्रत,

१. मा. मुख्यमंत्री, महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२

२. मा. उपमुख्यमंत्री, महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
३. मा. मंत्री (कृषी), महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
४. मा. राज्यमंत्री (कृषी), महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
५. मा. मुख्य सचिव, महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
६. अ. मु. स. (नियोजन), नियोजन विभाग, महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
७. अ. मु. स. (वित्त), वित्त विभाग, महाराष्ट्र राज्य, मंत्रालय, मुंबई-३२
८. आयुक्त (कृषि), कृषि आयुक्तालय, महाराष्ट्र राज्य पुणे.
९. मुख्य महाव्यवस्थापक, नाबार्ड, ५४, वेलस्ली रोड, शिवाजी नगर, पुणे.
१०. संचालक (फलोत्पादन), कृषि आयुक्तालय, पुणे
११. सर्व संचालक/सह संचालक, कृषि आयुक्तालय, महाराष्ट्र राज्य पुणे.
१२. सर्व विभागीय कृषि सह संचालक,
१३. सर्व जिल्हा अधिक्षक कृषि अधिकारी,
१४. सर्व जिल्हा कोषागार अधिकारी,
१५. महासंचालक माहिती व जनसंपर्क संचालनालय, मुंबई.
१६. महालेखापाल महाराष्ट्र (लेखा व अनुज्ञेयता) मुंबई/नागपूर
१७. महालेखापाल महाराष्ट्र (लेखा परिक्षा) मुंबई /नागपूर
१८. सर्व सहसचिव/उपसचिव/अवरसचिव/कार्यासन अधिकारी, (कृषि), कृषि व पदुम विभाग.
१९. मृद व जलसंधारण विभाग, मंत्रालय मुंबई ३२
२०. वित्त विभाग व्यय १/अर्थसंकल्प १३, मंत्रालय, मुंबई -३२
२१. नियोजन विभाग, मंत्रालय मुंबई - ३२,
२२. निवड नस्ती.

Memorandum of Agreement

Amongst

State of _____

And

**National Bank for Agriculture and Rural
Development (NABARD)**

And

Government of India

**Ministry of Agriculture and Farmers
Welfare**

_____ **2019**

Memorandum of Agreement

THIS MEMORANDUM OF AGREEMENT is made

BETWEEN

The Governor of the State of _____ acting through Principal Secretary/ Secretary, Ministry of Finance, Government of _____, having office at _____, herein-after referred to as “**the State Government**” (which expression shall, unless repugnant to the context or meaning thereof, include his successors in Office) **OF THE FIRST PART**

AND

National Bank for Agriculture and Rural Development, a body corporate established under an Act of Parliament viz. National Bank for Agriculture and Rural Development Act, 1981 and having its Head Office at C-24, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 hereinafter referred to as “**NABARD**” (which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) **OF THE SECOND PART**

AND

The President of India acting through the Secretary, Ministry of Agriculture and Farmers Welfare (MoA&FW) having office at _____ New Delhi – _____ hereinafter referred to as the “**GoI**” (which expression shall, unless repugnant to the context or meaning thereof, include his successors and assigns) **OF THE THIRD PART**

WHEREAS

1. Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) was launched on 1st July 2015 with the motto of ‘Har Khet ko Pani’ for providing end to end solutions in irrigation supply chain, viz., water resources, distribution network, farm level applications and improving water use efficiency. Micro irrigation (MI) is being popularized to ensure ‘Per Drop – More Crop’ (PDMC).

2. The current coverage under Micro irrigation is about 10 million ha. The Govt. of India Task Force on micro irrigation (2004) estimated a potential of 27 million ha for drip irrigation and 42.5 million ha for sprinkler irrigation with total potential of 69.5 million ha. This estimate is based on the area under crops that are suitable for micro irrigation. Thus, there is a gap of around 60 million ha still to be covered under micro irrigation.

3. With a view to provide impetus to the micro irrigation, the Union Finance Minister, in his Budget Speech 2017-18, has announced a dedicated Micro Irrigation Fund (MIF) to be instituted with NABARD with an initial corpus of Rs 5000 crore for encouraging public and private investments in modern irrigation methods such as sprinkler and drip irrigation as also water use enhancing practices to realize the objective of per drop more crop.

4. The main objective of MIF shall be to facilitate the States in mobilizing the resources for expanding coverage of micro irrigation by taking up innovative integrated projects/ proposals, including projects in the Public Private Partnership (PPP) mode and also for incentivizing micro irrigation through an additional (top-up) subsidy over and above the one available under PMKSY-PDMC Guidelines and for covering additional areas.

5. As per the Budget Announcement of the Government of India, NABARD has been assigned the task of hosting and administering MIF and extending credit support from out of MIF to State Government and in accordance with the Terms of Reference on MIF (including the modifications thereto) finalized by GoI, NABARD and State Government through mutual consultations and in accordance with CCEA approval. NABARD has since agreed to host and administer MIF. The Terms of Reference for loan from NABARD to State Governments from MIF and any modification thereto shall be read as part and parcel of the MoA

6. The State Government/Union Territories shall avail loan from NABARD out of MIF for the eligible projects, as per their requirement.

NOW THEREFORE THIS AGREEMENT WITNESSTH THAT:

1. RIGHTS AND OBLIGATIONS OF THE STATE GOVERNMENT

(i) The State Government hereby:

- (a) Undertakes to take such steps as may be found necessary to remove any legal or other procedural hurdles in the smooth implementation of the micro irrigation projects/ proposals to be sanctioned under MIF.
- (b) Undertakes to ensure that the loan advanced by NABARD shall be utilized only for the purposes for which the loan is given.
- (c) Undertakes to maintain separate accounts for the transactions of loans borrowed from out of MIF clearly showing the principal amount of loan, repayment of loan, outstanding, interest and additional interest separately.
- (d) The State Government shall observe, perform and fulfill such other terms and conditions / obligations as may be stipulated in the respective sanction letters issued by NABARD.
- (e) Agrees to allow NABARD to verify/inspect its books of accounts, vouchers, papers, documents, etc. and any other financial/non-financial document/s of the State Government related to borrowing from NABARD.
- (f) Agrees to submit to NABARD and GoI, the project report along with estimated cost of the eligible micro irrigation projects/proposals.
- (g) Undertakes to submit such information/documents as and when required by Government of India and/or NABARD. State Government agrees for carrying out evaluation, third party monitoring, social audit, other IT activities, etc. as may be considered by GoI, and/or NABARD.
- (h) Agrees to execute/cause to execute such supplementary documents as required by NABARD to carry out its obligations under this agreement including servicing of loan.
- (i) State Government will submit the proposals to DAC&FW, Government of India for approval of the same by the Steering Committee which is set up for the over-all coordination and monitoring of the implementation of the Projects/Proposals and upon approval by the Steering Committee the same shall be recommended to NABARD for release of funds.

- (ii) The Finance Department of State Government will be the Nodal Department for availing loan from NABARD under MIF. The State Government shall notify to NABARD the name, designation and specimen signature of the representative of its Finance Department, who is duly authorized by it to apply for drawal of the loan amounts and issue necessary acknowledgements for the amounts disbursed and also to receive communication, notices and other correspondence from NABARD in respect of the loans sanctioned, for completion of formalities, drawal of loan installments and repayments thereof together with interest. The State Government shall also intimate NABARD subsequent change in the designated officer, if any, and forward the particulars and specimen signature of the new incumbent.
- (iii) The State Government shall execute a Time Promissory Note (TPN) in favour of NABARD for each loan disbursement separately. Each TPN will be supported by written communication that necessary budgetary provision would be made available and held in trust to repay the principal and interest as per the schedule indicated in the TPN.
- (iv) The State Government shall repay the loan to NABARD as per the instructions as specified in the terms and conditions of the Sanction Letter and disbursement advice issued by NABARD. The State Government shall also pay interest on loans availed from out of MIF from NABARD at the rate and on due dates as may be prescribed by NABARD in the respective sanction letter/ disbursement advice. The Principal shall be repayable in annual instalments and the interest would be payable at quarterly rests. The rate of interest on loan on each occasion shall be decided at 3 % below the corresponding cost of funds mobilized by NABARD from the market. The cost of fund shall include the rate at which NABARD borrows from the market and NABARD's margin of 0.60%. However, the interest subvention will be restricted to Rs. 150 crore of budgetary outlay per year.
- (v) If the State Government fails to pay the principal amount on the respective due date(s), it agrees to pay additional interest (over and above the lending rate) at the rate of 1 % per annum from the date of default to the date of payment. Further, if the State Government fails to pay the interest on the respective due date, it shall be liable to pay interest on overdue amount at the same rate as is applicable to the principal amount.

(vi) The State Government, on a continuous basis, shall maintain the details of due dates/obligations towards repayment of principal and payment of interest to NABARD and also ensure availability of adequate resources for fulfilling its obligations under this Agreement.

(vii) The State Government shall submit its tentative requirement of funds to NABARD one month prior to the expected date of disbursement. NABARD shall disburse the requisitioned amount within 15 days of getting drawal application form complete in all respects along with all necessary documents from the State Govt. In the event that State Government after giving one month's notice, does not avail funds raised by NABARD upon drawal request by the State Government, it shall be liable for financial loss suffered by NABARD in this process. This loss will be determined based on the difference between interest rate on such borrowings by NABARD and the prevailing reverse repo rate for the period such borrowing remains unutilized under this scheme.

(viii) The State Government shall furnish an undertaking in favour of NABARD in a format prescribed by NABARD that it shall make adequate and specific provision in its annual budget for repayment of the principal, payment of interest or any other dues in respect of loans availed by it from NABARD under this Agreement. The State Government shall also furnish a letter to NABARD in a format prescribed by NABARD confirming that it has made adequate and specific provision in its annual budget.

(ix) The State Government shall issue a certificate that the borrowing is within the limits fixed by the State Legislature under Article 293 (1) of the Constitution of India or that no limits have been fixed by the State Legislature under Article 293(1) in a format stipulated by NABARD. Such borrowing is also subject to the consent of the Government of India, whenever required, under Article 293(3) of the Constitution of India.

(x) The State Government shall, in all events, abide by the terms of this agreement and ensure that it shall honour its repayment obligations to NABARD under this agreement.

(xi) Subject to the provisions of clause (xii), the State Government shall furnish an irrevocable letter of authority (Mandate) in a prescribed format duly executed by it and registered with the RBI/Principal Banker and unconditionally authorise NABARD to request RBI/Principal Banker that in the event of default by the State Government in honoring its repayment

obligations to NABARD under this agreement, to debit forthwith such amount as may be requested by NABARD, (and further directs the RBI/ Principal Banker to act according to such request) in regard to repayments of principal and interest, from the account of the State Government maintained with RBI/ Principal Banker and credit the same to the account of NABARD. All such amounts in default and repayable under this agreement by the State Government to NABARD shall be intimated as such by NABARD to RBI/Principal Banker for debit from the account of the State Government.

(xii) Notwithstanding the provisions of the agreement dated -----entered into between the State Government and RBI under sub-section (1) of section 21 A of the Reserve Bank of India Act, 1934 (hereinafter referred to as "RBI Agreement")/ Agreement with its Principal Banker {to be modified as per actual position}, the State Government hereby irrevocably and unconditionally authorises NABARD to request RBI/Principal Banker to act promptly on the requests of NABARD as per clause 1(xi) above and debit the State Government account maintained with RBI/ Principal Banker by credit to the account of NABARD or to such account as NABARD may specify, and correspondingly requests the RBI / Principal Banker to act as per this request. The State Government agrees that if at any time, the balance in the State Government account is inadequate to meet the aforesaid debit, its account may be debited to the extent of availability of funds, and the remaining amount may be debited subsequently as and to the extent funds become available in its account.

Explanation:

The balance in the State Government account means the amount held in such account including the minimum balance required to be maintained in the account under the RBI / Principal Banker agreement, and the authorised limit of the normal ways and means advances, the operative limit of the special ways and means advances, or any other authorised advances that may be made by RBI / Principal Banker to the State Government but not including any unauthorised overdraft that may have emerged in such account.

(xiii) Notwithstanding the provisions of the RBI Agreement / Agreement with its Principal Banker {to be modified as per actual position}, the State Government hereby undertakes not to exercise the option of terminating the RBI Agreement / Agreement with its Principal Banker

while this agreement remains in force, and the State Government accepts that the option of the State Government under the RBI Agreement / Agreement with Principal Banker stands modified to this extent.

(xiv) While this Agreement is in force, the State Government will fully indemnify NABARD against any loss or liability caused by any act or omission of the State Government that may prove harmful or prejudicial to the interest of NABARD. Further, the State Government will fully indemnify NABARD against any form or manner of revocation of this agreement during the entire duration of this agreement.

(xv) No failure to exercise and no delay in exercising, on the part of NABARD, any right, power or privilege under this agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power or right. The rights and remedies herein provided to NABARD are cumulative and not exclusive of any rights or remedies provided by law.

(xvi) The liability of the State Government to NABARD under this agreement shall not be impaired or discharged by reason of any time or other indulgence, which may be granted by NABARD or by a forbearance whether as to repayment, time or performance.

(xvii) The State Government shall not by its act, omission or otherwise revoke, withdraw or in any manner render this agreement ineffective either wholly or partially so long as it is in force.

(xviii) All the amounts repayable under this agreement shall be paid by the State Government to NABARD and shall be deemed as "debt charges" for which the State Government is liable. The repayment of such "debt charges" shall be expenditure chargeable to the Consolidated Fund of the State of ----- in terms of Article 202(3) of the Constitution of India.

(xix) As a separate and alternative stipulation, the State Government irrevocably agrees that any sums expressed to be payable by it under this agreement, but which for any reason whatsoever whether existing now or in future are not recoverable from the State Government on the basis of this agreement, shall nevertheless be payable by and recoverable from the State Government, and the State Government shall indemnify NABARD and hold harmless accordingly.

2. RIGHTS AND OBLIGATIONS OF NABARD

- (i) NABARD will be raising resources from the market for lending to State Governments under MIF. NABARD is authorised to raise resources from market in proportion of its Net Owned Funds (NOF) for its normal business as well as to meet requirements under specific funds like MIF. Thus, in order to ensure uninterrupted flow of funds under the programme, in the event of shortfall in Net Owned Funds, MoA&FW may appropriately take up with Ministry of Finance to facilitate contribution of additional share capital by GoI to NABARD in the ratio of 1 :10 [share capital : loans to be availed during a year]. In the event of NABARD's inability to raise resources from the market due to non-enhancement of its share capital by GoI, NABARD would not be liable to finance under this MoA.
- (ii) The rate of interest on loan on each occasion shall be decided at 3 % below the corresponding cost of funds mobilized by NABARD from the market. The cost of fund shall include the rate at which NABARD borrows from the market and NABARD's margin of 0.60%.
- (iii) The procedure to be followed for sanction of loans by NABARD and disbursement of loans in respect of projects/proposals sanctioned shall be in accordance with the arrangements approved by the GoI and Terms of Reference framed by NABARD in consultation with MoA&FW and States and further on satisfying itself that the related documentation from the State Government is complete in all respects.
- (iv) NABARD shall have a right to inspect/cause to inspect projects undertaken and funded under this MoA on a random basis, including site visits.
- (v) In the event of default by the State Government in honoring its repayment obligations to NABARD under this agreement, NABARD, may request RBI / Principal Banker to the State Government, to debit forthwith such amount as may be requested by NABARD in regard to repayments of principal and interest, from the account of the State Government maintained with RBI/ Principal Banker and credit the same to the account of NABARD or to such account as NABARD may specify. All such amounts in default repayable under this agreement by the State Government to NABARD shall be intimated as such by NABARD to RBI / Principal Banker for debit from the account of the State Government.
- (vi) Without prejudice to the other provisions of this agreement and also without prejudice to any other legal remedies available to NABARD for recovery of its dues, if any, installment of

repayment of the principal and/or payment of interest remains unpaid on the due date, NABARD can issue notice to State Government calling upon it to make payment of the same.

(vii) NABARD at its own discretion and without prejudice to its rights and other legal remedies as may be available to it upon default in payment of dues or breach of any other terms and conditions of this Agreement may stop further disbursement of the loans and advances under MIF or any other accommodation granted to the State Government.

(viii) NABARD may accept, purely at its discretion, advance repayment of loan or advance before due date subject to the condition that the State Government gives three days clear notice (excluding Saturdays, Sundays and Bank Holidays) to NABARD for such advance repayment, provided however that if the State Government fails to give aforesaid advance notice of three days, the repayment shall be deemed to have been made after three days (excluding Saturdays, Sundays and Bank Holidays) from the actual date of realization of payment and interest will be levied accordingly. The State Government, in such cases, shall be liable to pay a pre-payment charge equivalent to difference between cost of borrowing by NABARD and prevailing yield on 10 year G-Sec. for the period for which it is preponed / advanced, irrespective of three days notice given to NABARD.

(ix) NABARD shall be entitled to call upon the State Government to repay the entire loan in one lump sum together with interest in case NABARD is convinced that the State Government has committed breach of any of the material terms and conditions of the sanction.

(x) NABARD reserves the right to modify the terms and conditions of project specific loan sanction.

3. RIGHTS AND OBLIGATIONS OF GOVERNMENT OF INDIA (GOI)

(i) NABARD will be raising resources from the market for lending to State Governments under MIF. To facilitate extending uninterrupted loans to State Government by NABARD, in the event of shortfall in the Net Owned Funds of NABARD as indicated in para 2(i) above, for raising required financial resources from the market, MoA&FW, GoI, may facilitate contribution of additional share capital to NABARD to the extent of 10% of the annual lending requirement under MIF.

(ii) GoI in consultation with NABARD would decide the policy for the eligible activities and projects to be funded under MIF. In the alternative, the Steering Committee can do so while

according sanctions of proposals submitted by State Government, as NABARD is also a member of Steering Committee.

(iii) The GoI agrees to compensate by way of subvention to NABARD to the extent of difference between the cost of raising of resources from the market including NABARD's margin of 0.60% and the lending rate under MIF. The GoI shall make adequate and sufficient budgetary allocation for payment of interest subvention amount to NABARD on annual basis.

(iv) In the event of default by the State Government in honoring its repayment obligation under this agreement, GoI shall not release any further amount to the State Government under central share, if any, in projects sanctioned under MIF or under any other scheme administered by MoA&FW, till the default to NABARD by the State Government is cleared. Further, NABARD shall have the Charge on the amount due to the State Government on account of grants, assistance, reimbursement and any other amount payable to the State Government by the MoA&FW. The default amount shall be deducted by MoA&FW before the State's share is released to the State Govt. and remitted to NABARD.

Further, MoA&FW shall facilitate execution of an irrevocable letter of authority (Mandate) by the State Government with RBI/Principal Banker and registration of the same with RBI/Principal Banker as per the provision of clause 1 (xi) of this MoA.

(v) The GoI shall suitably advise and facilitate State Government to undertake awareness building on enhancing water use efficiency and social auditing in the project areas.

4. The Parties to this MoA may amend/ modify/ add/ delete any provision of the Agreement with mutual consent in writing and in accordance with the CCEA approval.

5. DISPUTE RESOLUTION

In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018

In witness whereof, the parties have signed this Memorandum of Agreement on the day, month and year mentioned herein below.

Signature of Shri
Principal Secretary/ Secretary, Department of Finance,
Govt. of the State of _____
Acting in the premises for and behalf of and under the
Authority of Governor of the State of _____

Place:

Date:

In the presence of

- 1.
- 2.

Signed, sealed and delivery by the said NABARD
by the hands of its duly authorized official
Shri _____
Chief General Manager
National Bank for Agriculture and Rural Development
.....Regional Office,
(Address
.....)

Place:

Date:

In the presence of

- 1.
- 2.

Signature of Shri
Secretary, Ministry of Agriculture and Farmers Welfare
Govt. of India, New Delhi 110 001
Acting in the premises for and behalf of and under the
Authority of President of India

Place:

Date:

In the presence of

- 1.
- 2.